

**County Economic Status and Distressed Areas in the
Appalachian Region, Fiscal Year 2009**
Appalachian Regional Commission
October 2008

Introduction

These materials describe the Appalachian Regional Commission's (ARC) County Economic Status Classification System and Distressed Areas designation and provide tables and maps to assist in locating county and area designations.

County Economic Classification System

ARC uses an index-based county economic classification system to identify and monitor the economic status of Appalachian counties. The system involves the creation of a national index of county economic status through a comparison of each county's averages for three economic indicators—three-year average unemployment rate, per capita market income, and poverty rate—with national averages. The resulting values are summed and averaged to create a composite index value for each county. Each county in the nation is then ranked, based on its composite index value, with higher values indicating higher levels of distress.

County Economic Levels

Each Appalachian county is classified into one of five economic status designations, based on its position in the national ranking.

Distressed

Distressed counties are the most economically depressed counties. They rank in the worst 10 percent of the nation's counties.

At-Risk

At-Risk counties are those at risk of becoming economically distressed. They rank between the worst 11 percent and 25 percent of the nation's counties.

Transitional

Transitional counties are those transitioning between strong and weak economies. They make up the largest economic status designation. Transitional counties rank between the worst 25 percent and the best 25 percent of the nation's counties.

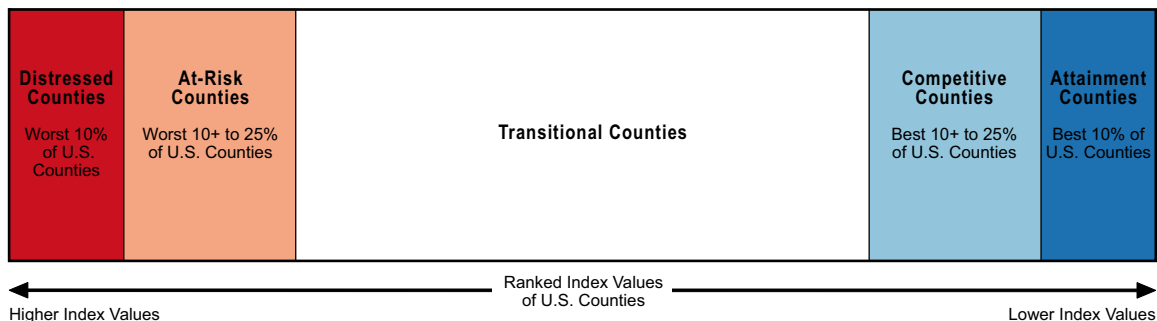
Competitive

Competitive counties are those that are able to compete in the national economy but are not in the highest 10 percent of the nation's counties. Counties ranking between the best 11 percent and 25 percent of the nation's counties are classified competitive.

Attainment

Attainment counties are the economically strongest counties. Counties ranking in the best 10 percent of the nation's counties are classified attainment.

Figure 1: ARC County Economic Status Designation by National Index Value Rank



County Economic Indicators

Three-Year Average Unemployment Rate

The three-year average unemployment rate is a measure of long-term structural unemployment that allows for the comparison of counties across state borders. The unemployment rate is calculated by dividing the three-year sum of persons unemployed by the three-year sum of the civilian labor force.

Source: U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics. <http://www.bls.gov/lau/home.htm>

Per Capita Market Income

Per capita market income is calculated by dividing total personal income, less transfer payments, by population. Transfer payments include retirement and disability insurance benefit payments, medical payments, income maintenance benefit payments, unemployment insurance benefit payments, veterans benefit payments, and other such payments.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System. <http://www.bea.gov/regional/reis/>

Poverty Rate

The poverty rate is computed by dividing the number of persons living below the poverty threshold by the number of persons for whom poverty status has been determined.

Source: U.S. Department of Commerce, Census Bureau, Census of Population and Housing 2000 Summary File 3. <http://www.census.gov/hhes/www/poverty.html>

Distressed Areas

ARC recognizes that some areas in non-distressed counties of Appalachia are characterized by high poverty and low income to such an extent when compared to national averages that they should be considered distressed and should be an important focus of ARC assistance. Accordingly, ARC designates as distressed areas, those census tracts within non-distressed counties, other than competitive and attainment counties, with a median family income no greater than two-thirds of the national average and with a poverty rate that is at least 1.5 times the national average. Essentially, distressed areas are designated within at-risk counties (those at risk of becoming economically distressed) and transitional counties (those that lag behind national norms and often contain pockets

of economic distress). Distressed area designations are based on data from the 2000 census. These designations may change annually depending on shifts in the county economic status while the underlying census tract data will be updated with each decennial census.

Locating Distressed Areas (Census Tracts)

A map and two tables are provided to help locate distressed areas in the Appalachian Region. Using different colors, the map displays the county economic status levels as well as the distressed areas. Table 1 lists the economic status of each county and the number of distressed areas in the at-risk and transitional counties that contain them. Table 2 lists the ID (FIPS) number of each distressed area, which can be used to locate them on paper maps or with interactive mapping systems, as outlined below.

American Fact Finder Reference Maps

The U.S. Census Bureau's interactive mapping system can be accessed online at http://factfinder.census.gov/jsp/saff/SAFFInfo.jsp?_pageId=referencemaps&_submenuId=maps_2. To quickly find a census tract select the boundary grouping named "2000 Census Tracts and Blocks". Next, select a state or enter a ZIP Code to zoom in to the area of interest. A refreshed map will appear but additional zooming and panning may be required using the available tools. The map's legend reveals that census tract boundaries and their ID numbers are displayed in a brownish-gold color. When the area of interest is found, the census tract ID number can be compared to ARC's Table 2 to determine whether it is a distressed area. The map display can be simplified by changing the boundaries and features on the website to show only states, counties, census tracts, and urban areas.

2000 Census Tract Outline Maps

Maps of census tracts and other civil divisions can be downloaded from the U.S. Census Bureau in Adobe's Portable Document Format (PDF). These maps can be viewed on-screen or printed to assist in locating census tracts. http://ftp2.census.gov/plmap/pl_trt/

2000 Census Tract Cartographic Boundaries (GIS)

The 2000 census tract boundary files can be downloaded from the U.S. Census Bureau and incorporated into a Geographic Information System (GIS) for mapping and analysis. These data layers are provided in ARC/INFO Export, ArcView Shapefile, and ARC/INFO Generate formats. <http://www.census.gov/geo/www/cob/tr2000.html>

Questions? Contact:

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**Table 1 - County Economic Status and Distressed Areas in the
Appalachian Region, Fiscal Year 2009**

*The counties in **BOLD** contain Distressed Areas.
See Table 2 for a list of Distressed Areas.*

<i>County</i>	<i>Economic Status</i>	<i>Number of Distressed Areas</i>	<i>County</i>	<i>Economic Status</i>	<i>Number of Distressed Areas</i>
Kentucky			Letcher	Distressed	
Adair	At-Risk	4	Lewis	Distressed	
Bath	Distressed		Lincoln	Distressed	
Bell	Distressed		Madison	Transitional	4
Boyd	Transitional	4	Magoffin	Distressed	
Breathitt	Distressed		Martin	Distressed	
Carter	Distressed		McCreary	Distressed	
Casey	Distressed		Menifee	Distressed	
Clark	Transitional		Metcalf	At-Risk	3
Clay	Distressed		Monroe	Distressed	
Clinton	Distressed		Montgomery	Transitional	2
Cumberland	Distressed		Morgan	Distressed	
Edmonson	At-Risk	1	Nicholas	At-Risk	1
Elliott	Distressed		Owsley	Distressed	
Estill	Distressed		Perry	Distressed	
Fleming	At-Risk	1	Pike	At-Risk	16
Floyd	Distressed		Powell	Distressed	
Garrard	Transitional		Pulaski	At-Risk	8
Green	At-Risk	1	Robertson	Distressed	
Greenup	Transitional		Rockcastle	Distressed	
Harlan	Distressed		Rowan	At-Risk	1
Hart	Distressed		Russell	Distressed	
Jackson	Distressed		Wayne	Distressed	
Johnson	Distressed		Whitley	Distressed	
Knott	Distressed		Wolfe	Distressed	
Knox	Distressed				
Laurel	At-Risk	6			
Lawrence	Distressed				
Lee	Distressed				
Leslie	Distressed				

**Table 2 - Distressed Areas in the Appalachian Region,
Fiscal Year 2009**

<i>State</i>	<i>County</i>	<i>Census Tract ID Number</i>	<i>State</i>	<i>County</i>	<i>Census Tract ID Number</i>
Kentucky			KY	Pike	9906
KY	Adair	9703	KY	Pike	9907
KY	Adair	9704	KY	Pike	9908
KY	Adair	9705	KY	Pike	9909
KY	Adair	9706	KY	Pike	9910
KY	Boyd	302	KY	Pike	9911
KY	Boyd	303	KY	Pike	9912
KY	Boyd	304	KY	Pike	9913
KY	Boyd	308	KY	Pike	9915
KY	Edmonson	9802	KY	Pike	9916
KY	Fleming	9804	KY	Pike	9917
KY	Green	9902	KY	Pike	9918
KY	Laurel	9701	KY	Pulaski	9901
KY	Laurel	9702	KY	Pulaski	9903
KY	Laurel	9703	KY	Pulaski	9906
KY	Laurel	9709	KY	Pulaski	9907
KY	Laurel	9710	KY	Pulaski	9908
KY	Laurel	9711	KY	Pulaski	9909
KY	Madison	102	KY	Pulaski	9910
KY	Madison	103	KY	Pulaski	9911
KY	Madison	104	KY	Rowan	9503
KY	Madison	105			
KY	Metcalfe	9601			
KY	Metcalfe	9602			
KY	Metcalfe	9603			
KY	Montgomery	9804			
KY	Montgomery	9805			
KY	Nicholas	9601			
KY	Pike	9901			
KY	Pike	9903			
KY	Pike	9904			
KY	Pike	9905			

County Economic Status and Distressed Areas in Appalachian Kentucky, Fiscal Year 2009

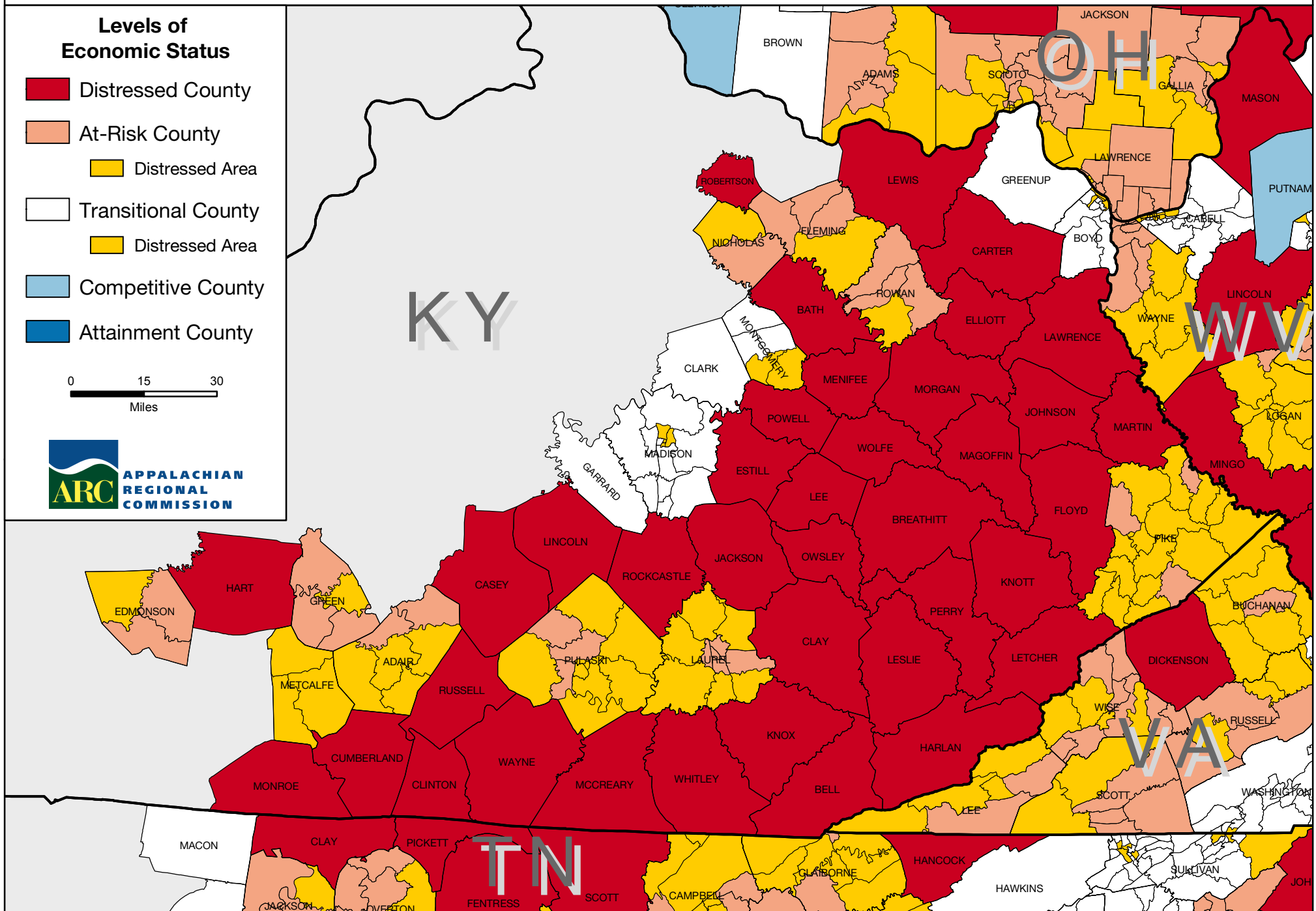
Levels of Economic Status

- Distressed County
- At-Risk County
- Distressed Area
- Transitional County
- Distressed Area
- Competitive County
- Attainment County

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County Economic Status and Distressed Areas in Appalachian Kentucky, Fiscal Year 2009

